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## ARIZONA CORPORATION COMMISSION

### Advisory to All Arizona Investment Advisers

#### **Re: Electronic Registration of Investment Adviser Representatives**

Dear Compliance Officer:

As you may be aware, the electronic registration of Investment Adviser Representatives (IARs) on the Central Registration Depository (CRD) System is scheduled to be implemented in March 2002. The NASDR's current target date for commencing this RA registration program on the CRD is March 18. Outlined below are guidelines to assist Investment Adviser firms ("firms") with the electronic registration process:

#### **1. Firms with Currently Licensed IARs in Arizona**

Firms should transition their IARs in Arizona onto the CRD by **July 1**. The electronic submission of Form U-4 via the CRD on behalf of these Arizona licensed IARs is also a requirement. Form U-4 should be completed *within 30 days of the transition filing* but no later than **August 1**. Once the CRD is able to accept electronic amendments, the Division will no longer accept paper amendments to Form U-4. All amendments **must** be done electronically via the CRD. The Division will reject and return any IAR Form U-4 amendments in paper format that are received subsequent to the CRD's electronic upgrade. There is a \$45 per IAR NASDR Initial Set-up Fee associated with the transition process. (Arizona License Renewal fees for 2003 will not be assessed until late in 2002.)

#### **2. Firms with New IAR Applicants in Arizona**

Effective March 18, 2002, the Arizona Corporation Commission, Securities Division ("the Division"), will no longer accept IAR Form U-4 applications in paper format. All applications and payments of application fees **must** be made electronically via the IARD. The Division will reject and return any IAR applications (in paper format) and fees that are received after March 18.

The fees associated with filing an initial IAR application in Arizona via the IARD are:

\$45 per IAR      NASDR Initial Set-up Fee  
\$40 per IAR      Arizona Annual License Fee  
These fees are paid through the NASDR.

#### **3. Firms Relying on the Arizona Securities Salesmen Exemption**

**IMPORTANT:** If your firm relies on the licensing exemption within A.R.S. § 44-3152(C) for its IARs doing business in Arizona, please **do not make any filings for Arizona on the IARD** on behalf of these IARs. The electronic registration of IARs does **not** affect Arizona licensing exemption.

If you have questions regarding the registration of IARs in Arizona, please call Richard Unangst at 602-542-0323, Audrey Maxwell at 602-542-0182, or Linda Madryk at 602-542-0615. You may also visit the following websites for additional information:

Securities Division    [www.ccsd.cc.state.az.us](http://www.ccsd.cc.state.az.us)  
IARD    [www.iard.com](http://www.iard.com)

NASAA    [www.nasaa.org](http://www.nasaa.org)  
SEC    [www.sec.gov/iard](http://www.sec.gov/iard)

Sincerely,

Matthew J. Neubert  
Director of Registration and Compliance